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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 1, 2010

Jacob Skabelund
American Trilobite Suppliers, Inc.
10496 Raining Sky Street
Las Vegas, Nevada 89178

Subject: Reclamation Surety Required, American Trilobite Suppliers, Inc., Marjum 1 Mine, S027/0113, Millard County, Utah

Dear Mr. Skabelund:

The referenced Notice of Intent to Commence Small Mining Operations (NOI), received by the Division on January 7, 2010, is complete **with the exception of the reclamation bonding requirement**. The reclamation surety is determined to be \$7,400 for a three year escalation or \$7,600 for a five year escalation. This was determined based on:

Project Size (Acres)	Surety 3 & 5 year escalation	Comments
1 or less acres	\$7,400 (3-year escalation) \$7,600 (5-year escalation)	Minimum amount required
Additional acres up to 5 acres	\$4,300/ acre (3-year escalation) \$4,400/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Cumulative Amount for 5- acres	(i.e. Maximum of 5 acres = \$7,400 + \$17,200 = \$24,600) (3-year escalation) (i.e. Maximum of 5 acres = \$7,600 + \$17,600 = \$25,200) (5-year escalation)	\$600.00 difference between 3 and 5 year escalation amount for 5-acres of disturbance.

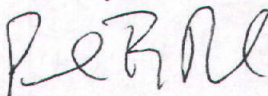
Please submit the reclamation surety and reclamation contract within the next 30 days. The reclamation contract form MR-RC-SMO can be located at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-RC-SMO.pdf. No mining related disturbance may be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

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The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at (801) 538-5291 or e-mail bondcoordinator@utah.gov for assistance in completing this requirement.

Please contact me at 801-538-5261 or John Rogers at 801-538-5349 if you have any questions regarding this letter. In reply please refer to file number S027/0113.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P. Baker', written in a cursive style.

Paul B. Baker
Minerals Program Manager

PBB:jr:pb

cc: wstokes@utah.gov

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